

Message Text

UNCLASSIFIED

PAGE 01 NASSAU 01957 01 OF 02 261417Z

51

ACTION ARA-10

INFO OCT-01 ISO-00 L-02 AID-05 IGA-01 SS-15 SP-02 NSC-05

SWF-01 AGR-10 EB-07 COME-00 TRSE-00 OMB-01 FRB-01

CIEP-02 OPIC-06 XMB-04 CIAE-00 INR-07 NSAE-00 RSC-01

/081 W

----- 117162

R 252053Z NOV 74

FM AMEMBASSY NASSAU

TO SECSTATE WASHDC 6195

UNCLAS SECTION 1 OF 2 NASSAU 1957

E. O. 11652: N/A

TAGS: EAID BF

SUBJ: MEETING WITH PRIME MINISTER TO DISCUSS AID ANDROS
LIVESTOCK PROJECT

SUMMARY: AMBASSADOR MET WITH PM TO DISCUSS ABOVE SUBJECT PROJECT WITH PARTICULAR REGARD TO THE JOINTLY DEVELOPED GCOB-USG PLAN RECENTLY SUBMITTED FOR CONSIDERATION OF BOTH GOVERNMENTS. CONSIDERABLE TIME WAS ALSO DEVOTED TO DISCUSSION OF GCOB LOCAL CURRENCY CONTRIBUTION TO THE PLAN. THE IMPRESSION WHICH WAS LEFT WAS THAT GCOB IS VERY MUCH ON THE SAME WAVELENGTH AS USG WITH PROSPECT FOR A DEFINITIVE AND FAVORABLE RESPONSE TO BE FORTHCOMING IN THE NEAR FUTURE. END SUMMARY.

1. AMBASSADOR MET WITH PRIME MINISTER THIS MORNING TO DISCUSS ABOVE SUBJECT. RODNEY BAIN, SECRETARY TO CABINET, ALSO PARTICIPATED IN DISCUSSION.

2. AFTER BRIEF EXCHANGE BETWEEN THE PM AND MYSELF ON THE RELATIVE MERITS OF THE DOLPHINS AND THE REDSKINS (PM WAS ANGUISHED AT YESTERDAY'S DOLPHIN LOSS WHILE AMBASSADOR WAS ELATED AT REDSKIN'S WIN), SUBJECT TURNED TO THE ANDROS PROJECT.

3. I BEGAN BY RECOUNTING MY INITIAL EXPOSURE TO SENIOR LEVELS
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NASSAU 01957 01 OF 02 261417Z

OF THE BAHAMIAN GOVERNMENT, EACH OF WHOM LAMENTED TO ME THE

LACK OF A DETAILED PLAN FOR CONDUCTING THE PROJECT, THIS AFTER 18 MONTHS OF OPERATION. AS A RESULT, AS PM WELL KNEW, WE HAD INVITED WASHINGTON EXPERTS TO NASSAU FOR A TWO-DAY CONFERENCE WHICH AMBASSADOR CO-CHAIRING WITH MINISTER OF AGRICULTURE. I SAID THAT WE FELT RESULTS OF CONFERENCE WERE HIGHLY BENEFICIAL. A NUMBER OF IMPORTANT ISSUES HAD BEEN RESOLVED TO THE SATISFACTION OF BOTH PARTIES, FOR EXAMPLE USE OF ANDROS EQUIPMENT FOR OFF-SITE PROJECTS. HOWEVER, MOST SIGNIFICANT SINGLE ACCOMPLISHMENT WAS THE AGREEMENT THAT A DETAILED PLAN WOULD BE DEVELOPED. WE NOW HAD THIS PLAN IN HAND.

4. I WENT ON TO EMPHASIZE THAT PLAN WAS VIEWED AS A DRAFT EVEN THOUGH I WAS PERSONALLY MUCH IMPRESSED WITH ITS THOROUGHNESS. REVIEW OF THE PLAN WOULD REVEAL THAT THE CONCEPT WHICH IT EMBODIED ENCOMPASSED A VERY COMPREHENSIVE AGRICULTURAL PROGRAM. WHILE RESEARCH WAS STILL AT ITS CORE, A WIDE VARIETY OF UNDERTAKINGS ASSOCIATED WITH CATTLE RAISING WERE ANTICIPATED. I SAID THAT AS I UNDERSTOOD RECENT PRIME MINISTER'S SPEECH CALLING FOR INCREASED "SURVIVABILITY" FOR GCOB IN THE AGRICULTURAL SECTOR, THE JOINTLY PREPARED PLAN CORRESPONDED WITH THIS CONCEPT.

5. ONE FEATURE OF THE PLAN WAS AN ESTIMATE OF ITS FUNDING REQUIREMENTS. I NOTED THAT THE FIGURES INVOLVED WOULD ALMOST CERTAINLY CHANGE OVER TIME SINCE THESE WERE AFTER ALL ESTIMATES. WHAT WAS ESSENTIAL TO NOTE, HOWEVER, WAS THAT PLAN CONTEMPLATED THE FULL \$10 MILLION US CONTRIBUTION TOGETHER WITH AN ASSOCIATED LOCAL CURRENCY CONTRIBUTION BY THE GCOB. I STATED THAT I FELT SUCH A CONTRIBUTION WAS IMPORTANT FOR SEVERAL REASONS. FIRST, IT PROVIDED CONCRETE EVIDENCE OF GENUINE GCOB INTEREST IN THE UNDERTAKING. SECOND, IT PROVIDED A GRADUAL PHASE-IN OF GCOB RESPONSIBILITY FOR THE PROJECT WHICH WOULD PERMIT COMPLETE ASSUMPTION AT THE TIME US ASSISTANCE TERMINATED IN 1978. THIRD AND FINALLY, IT OBVIOUSLY CONTRIBUTED TO THE TOTALITY OF RESOURCES AVAILABLE TO CARRYING OUT THE PLAN. I EMPHASIZED THAT THE AMOUNTS AND PHASING WERE MATTERS OPEN TO FURTHER DISCUSSION BUT THAT QUITE OBVIOUSLY TO THE EXTENT GCOB RESOURCES WERE NOT FORTHCOMING, GREATER BURDEN WOULD FALL ON THE \$10 MILLION US CONTRIBUTION

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 NASSAU 01957 01 OF 02 261417Z

WHICH WOULD MEAN THAT THE TOTALITY OF THE PLAN AS CURRENTLY CONCEIVED WOULD HAVE TO BE SCALED BACK. I POINTED OUT THAT WHILE AGREEMENT ORIGINALLY SIGNED BY TWO GOVERNMENTS DID NOT PROVIDE FOR A SPECIFIC GCOB LOCAL CURRENCY CONTRIBUTION, ALL OF OUR STANDARD AGREEMENTS, INCLUDING THE ONE SIGNED BY GCOB, DID CONTAIN A PROVISION THAT THE RECIPIENT GOVERNMENT WOULD PROVIDE LAND, SERVICES AND LOCAL FUNDING FOR THE PROJECT AS MIGHT SUBSEQUENTLY BE NEGOTIATED.

6. PM RESPONDED TO MY REMARKS BY SAYING THAT HE HAD PERSONALLY REVIEWED THE PLAN. HE WAS FAVORABLY IMPRESSED WITH ITS SCOPE AND DETAIL. HE MADE IT CLEAR THAT HE DID CONSIDER IT TO BE CONSISTENT WITH HIS CONCEPT OF BROAD GCOB AGRICULTURAL NEEDS. HE SAID HE UNDERSTOOD FULL WELL WHY INITIAL AGREEMENT DID NOT PROVIDE FOR DETAILED AMOUNTS OF LOCAL FUNDING CONTRIBUTION SINCE AT SUCH AN EARLY STAGE, FLEXIBILITY WAS REQUIRED. PM DID SAY, HOWEVER, THAT HE HAD A NUMBER OF SPECIFIC QUESTIONS HE WOULD LIKE TO PUT.

WEISS

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 NASSAU 01957 02 OF 02 261432Z

51

ACTION ARA-10

INFO OCT-01 ISO-00 L-02 AID-05 IGA-01 SS-15 SP-02 NSC-05

SWF-01 AGR-10 EB-07 COME-00 TRSE-00 OMB-01 FRB-01

CIEP-02 OPIC-06 XMB-04 CIAE-00 INR-07 NSAE-00 RSC-01

/081 W

----- 117313

R 252053Z NOV 74

FM AMEMBASSY NASSAU

TO SECSTATE WASHDC 6196

UNCLAS SECTION 2 OF 2 NASSAU 1957

7. HE ASKED, IN RESPONSE TO MY EARLIER EXAMPLE CITING TELEPHONE REQUIREMENTS AT THE PROJECT AS A VALID LOCAL CURRENCY NEED, WHETHER IF THE NEED FOR THE PHONES WERE URGENT THE US WOULD AGREE TO FUND IT FROM THE PROJECT. I SAID THAT I THOUGHT THIS WOULD BE POSSIBLE ESPECIALLY IF WE COULD ACHIEVE GCOB AGREEMENT IN PRINCIPLE TO PROVIDING A LOCAL CURRENCY CONTRIBUTION, THE DETAILS AND AMOUNTS OF FUNDING TO BE SUBSEQUENTLY WORKED OUT. I NOTED THAT MANY OF THE COSTS WERE FUNGIBLE BUT THE QUESTION WAS WHETHER GCOB AGREED TO MEET A PORTION OF THESE LOCAL COSTS. PM THEN ASKED ABOUT HOUSING, STATING THAT HE FELT IT WOULD BE ESSENTIAL TO PROJECT'S SUCCESS FOR IT TO BE CLEAR THAT FARMERS WOULD RECEIVE HOUSING AND HE ASKED WHETHER THIS WOULD BE PAID FOR BY US PROJECT FUNDS. I SAID THAT THIS

WAS AN IMPORTANT POINT AND THAT I WOULD WANT TO CAREFULLY CHECK MY FACTS AND REPORT BACK TO HIM, BUT THAT MY UNDERSTANDING WAS THAT FOR THE 16 SATELLITE FARMS CURRENTLY CONTEMPLATED, HOUSING WOULD BE FUNDED FROM U.S. PROJECT AGREEMENT. (I LATER CONFIRMED THIS UNDERSTANDING.) PM UNDERLINED IMPORTANCE HE ATTRIBUTED TO THE HOUSING QUESTION. PM ALSO RAISED QUESTION OF LOCALE FROM WHICH FARMERS WOULD BE DRAWN FOR PARTICIPATION IN THE PROJECT. HE NOTED THAT HIS IMPRESSION WAS THAT USG WANTED WIDE PARTICIPATION FROM ISLANDS OTHER THAN ANDROS. WHILE HE WAS NOT OPPOSED TO THIS IN PRINCIPLE, HE HAD SERIOUS DOUBTS THAT IT WOULD BE PRACTICAL TO RECRUIT

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 NASSAU 01957 02 OF 02 261432Z

FROM OTHER ISLANDS GIVEN THE NEED THAT THIS IMPLIED FOR UPROOTING FAMILIES. I RESPONDED BY SAYING THAT WE HAD BEEN UNDER IMPRESSION THAT VARIOUS MEMBERS OF HIS GOVERNMENT HAD EXPRESSED INTEREST IN HAVING FARMERS FROM OTHER THAN ANDROS PARTICIPATE. HOWEVER, THE CENTRAL FACTOR FROM OUR POINT OF VIEW AS THAT CRITERIA STATING NECESSARY QUALIFICATIONS FOR CANDIDATE FARMERS NEEDED TO BE DRAWN UP AND AGREED TO BY PROJECT MANAGER AND CO-PROJECT MANAGER AND APPROVED BY THE TWO GOVERNMENTS. ONCE THIS WAS ACCOMPLISHED I ANTICIPATED THAT PUBLICITY WOULD BE GIVEN TO WILLINGNESS TO CONSIDER CANDIDATES FOR THE SATELLITE FARMS. I HOPED THAT THIS WOULD ELICIT A LARGE NUMBER OF SUCH CANDIDATES. ONCE FROM THIS LIST A GROUP MEETING THE QUALIFICATIONS PREVIOUSLY AGREED TO HAD BEEN IDENTIFIED, IT WAS MY FEELING THAT FARMERS ACTUALLY CHOSEN WERE MATTERS WHICH COULD BE LEFT TO GCOB. THE MAIN POINT WAS THAT THE FARMERS MUST MEET THE CRITERIA PREVIOUSLY ESTABLISHED. UNDER THESE CIRCUMSTANCES WHETHER THEY CAME FROM ANDROS OR ELSEWHERE WAS MATTER FOR GCOB. PM THEN SHIFTED TO SUBJECT OF TECHNICALLY TRAINED PEOPLE, EXPRESSING VIEW THAT BY THE TIME US PARTICIPATION IN THE PROJECT ENDED, IT WAS DOUBTFUL THAT GCOB WOULD HAVE ALL NECESSARY TRAINED PEOPLE AVAILABLE. HE ASKED WHETHER IN MY OPINION USG WOULD BE PREPARED TO FINANCE ADDITIONAL TECHNICAL ASSISTANCE FOR LIMITED NUMBER OF SPECIALISTS AFTER 1978 TERMINATION DATE. I SAID THAT I HAD TO BE FRANK IN SAYING THAT I THOUGHT THE CHANCES WERE VERY SLIM. MOOD OF CONGRESS TOWARD FOREIGN AID IN GENERAL WAS VERY NEGATIVE AND I DID NOT SEE PROSPECT FOR ASSISTANCE BEYOND \$10 MILLION COMMITTED, EVEN FOR FURTHER TECHNICAL ASSISTANCE. I NOTED, HOWEVER, THAT THERE WERE MANY POTENTIAL WAYS OF SOLVING THE PROBLEM IF IT IN FACT EXISTED AT THE TIME OF THE 1978 PHASE-OUT. FOR EXAMPLE, I CALLED TO PRIME MINISTER'S ATTENTION THE FACT THAT PLAN AS CURRENTLY DRAWN PROVIDED FOR A GUARANTEE FUND WHICH WOULD BE UTILIZED TO GUARANTEE LOANS FROM PRIVATE SECTOR. IF PROJECT WAS A SUCCESSFUL COMMERCIAL VENTURE AS WE HOPED, THERE WAS NO REASON TO BELIEVE THAT PRIVATE FINANCING MIGHT NOT BE ATTRACTED, ESPECIALLY WITH THE GUARANTEE PROVISION. PERHAPS SUCH FUNDS FROM PRIVATE SECTOR

MIGHT BE UTILIZED TO MEET, AMONG OTHER THINGS, SUBSEQUENT
TECHNICAL ASSISTANCE NEEDS. IN ANY EVENT, I SAID I THOUGHT
IT PREMATURE TO FOCUS ON THIS QUESTION AT THIS TIME SINCE WE
WERE TOO FAR AWAY AND COULD NOT TELL WHETHER A GENUINE NEED
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 NASSAU 01957 02 OF 02 261432Z

DID EXIST NOR WHAT ALTERNATIVE MEANS FOR MEETING THAT NEED
MIGHT BE.

8. IN SUMMING UP, I TOLD PM THAT WE WERE NOW REVIEWING PLAN TO
IDENTIFY THOSE SPECIFIC DECISIONS REQUIRED ON PART OF BOTH
GOVERNMENTS IN ORDER TO PROCEED WITHOUT FURTHER DELAY. BY WAY
OF EXAMPLE, I CITED POSSIBLE NEED FOR REVISING LAND TENURE
ARRANGEMENTS IN ORDER TO ASSURE PROSPECTIVE FARMERS THAT LAND
FARMED SUCCESSFULLY WOULD EVENTUALLY BE THEIRS. (ON THIS
POINT, PM SAID HE HAD NO PROBLEM WHATSOEVER WITH THE PRINCIPLE
ALTHOUGH HE THOUGHT THAT PRESENT ARRANGEMENTS PROVIDED FOR
JUST THAT.) I WENT ON TO SAY I HOPED THAT GCOB WAS MAKING A
SIMILAR REVIEW OF PLAN. I HOPED FURTHER THAT WE WOULD SOON
RECEIVE FROM GCOB TWO AGREEMENTS IN PRINCIPLE SUBJECT TO
WORKING OUT OF DETAILS: FIRST, TO THE SCOPE AND APPROACH
ENCOMPASSED WITHIN THE PLAN, AND SECOND, TO A GCOB LOCAL FUND-
ING CONTRIBUTION. PM SAID WE WOULD BE HEARING FROM THEM ON
BOTH.

9. DISCUSSION ENDED AS IT HAD STARTED WITH PM AND AMBASSADOR
AGREEING TO A TENTATIVE DATE TO ATTEND THE DOLPHINS-NEW
ENGLAND PATRIOTS GAME IN MIAMI ON DECEMBER 15. WHOSE LOCAL
CURRENCY WOULD BE UTILIZED FOR THIS PROJECT WAS NOT DISCUSSED.
WEISS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LIVESTOCK, TECHNICAL ASSISTANCE, DIPLOMATIC DISCUSSIONS, PROGRAM ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 25 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974NASSAU01957
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740342-1004
From: NASSAU
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741115/aaaaamdz.tel
Line Count: 257
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 14 NOV 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 NOV 2002 by maustmc>; APPROVED <20-Nov-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: MEETING WITH PRIME MINISTER TO DISCUSS AID ANDROS LIVESTOCK PROJECT
TAGS: EAID, EAGR, BF, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005